

MEMORANDUM

June 6, 2017

To: Reporters and Editors

From: The Office of U.S. Senator Sherrod Brown

Re: GOP Uncertainty Causes Anthem to Stop Insuring Ohioans

Today, Anthem insurance cited uncertainty caused by plans to repeal the Affordable Care Act and President Trump's repeated threats to stop Cost Sharing Reduction (CSR) Payments that reduce out-of-pocket costs for Ohioans buying insurance in the individual market as the reasons for their decision to exit the exchanges in Ohio.

A May report from the Center on Budget and Policy Priorities warned that uncertainty over the cost sharing reduction subsidies Anthem cites would destabilize the market:

By refusing to include a measure guaranteeing the continued payment of the Affordable Care Act's (ACA) cost-sharing reductions (CSRs) in the new fiscal year 2017 spending bill, the Administration and congressional Republican leaders have endangered health coverage for millions of Americans. They will bear responsibility for the premium increases, marketplace disruption, and coverage losses that will likely result.

[Cincinnati Enquirer: Major insurer Anthem to withdraw from Ohio health care exchange](#)

"Anthem said it was concerned it might lose subsidies that insurers receive to offset the costs of insuring lower-income individuals.

"Last month, President Donald Trump reportedly told advisers he wanted to end these subsidies. House Republicans had sued former President Barack Obama's administration to block the subsidies paid to insurers. A judge ruled in favor of Republicans, and Obama appealed. Trump inherited the lawsuit and must decide what to do with the blocked subsidies.

"The uncertainty has insurers worried they might have to pay for the subsidies themselves.

"An increasing lack of overall predictability simply does not provide a sustainable path forward,' Anthem spokesman Jeff Blunt said in a statement."

[Crain's Cleveland: Anthem Blue Cross Blue Shield to quit state-based health insurance exchange](#)

"Anthem is reducing its 2018 individual plan offering to just one off-exchange medical plan in Pike County.

"The decision comes as Republicans in Congress continue efforts to repeal and replace the Affordable Care Act, also known as Obamacare.

“Planning and pricing Affordable Care Act-compliant plans has become “increasingly difficult” due to the shrinking individual market and continual changes in federal operations, rules and guidance, according to Anthem.”

[Dayton Daily News: Anthem to bolt from Ohio health insurance exchange](#)

““A stable insurance market is dependent on products that create value for consumers through the broad spreading of risk and a known set of conditions upon which rates can be developed,” Anthem said in a statement. “Today, planning and pricing for ACA-compliant health plans has become increasingly difficult due to the shrinking individual market as well as continual changes in federal operations, rules and guidance.”

“The company was referring to the uncertainty surrounding President Donald Trump’s-endorsed GOP plan to replace Obamacare, which has led several other major insurers to pull out of exchanges in other states.

““We are pleased that some steps have been taken to address the long term challenges all health plans serving the individual market are facing, such as improving the eligibility requirements that allow consumers to purchase a plan outside of open enrollment and improved risk adjustment,” the Anthem statement continued. “However, the Individual market remains volatile and the lack of certainty of funding for cost sharing reduction subsidies, the restoration of taxes on fully insured coverage and, an increasing lack of overall predictability simply does not provide a sustainable path forward to provide affordable plan choices for consumers.””

[Reuters: Anthem to leave Ohio's Obamacare insurance market in 2018](#)

“Anthem CEO Joseph Swedish two weeks ago reiterated that the company was reviewing its participation in the individual markets that are a key piece of the Affordable Care Act, commonly called Obamacare.

“Republican lawmakers and President Donald Trump have promised to repeal and replace the law, but have disagreed over the details, creating uncertainty at a time when insurers must submit plans and premium rates for 2018.

“In addition, Republicans are trying to cut off these Obamacare subsidy payments in court proceedings and President Donald Trump has made conflicting statements about continuing paying them.”

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